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To: David Scholefield, Chairperson
Tourism Development Commission

From: Steve Geiogamah, Tourism Development Manager

Date: December 20, 2016

Subject: Parada Del Sol Event Agreement

The purpose of this action item is to consider recommending a one year event agreement with Parada Del Sol Inc. in support of the Parada Del Sol Parade.

Parada Del Sol Parade is now entering its 64th year and has been a popular longstanding community heritage event held in conjunction with the Parade del Sol Rodeo. The February 11th western cultural themed event will include a parade and trail ends celebration in Downtown Scottsdale.

The event funding proposal is attached for the commissions review. Parada del Sol Inc. is requesting \$64,400 in support of the event as well as the waiver of event fee requirements.

Analysis & Assessment

The requested funding support is not being presented as part of the current event funding programs. City staff is requesting this proposal and proposed agreement be considered due to the community benefit of this longstanding heritage event and to ensure the events continued success and growth.

In addition, this event will be part of a larger promotion for Western Week and eventually Western Month that has been reviewed and recommended by both TATF and the TDC.

City staff has evaluated the proposal to identify the potential benefits to the City and the local tourism industry and has identified a public purpose for the city's expenditure. The marketing and promotional benefits provide direct consideration substantially equal to the proposed city's expenditure.

In order to enhance the city's event sponsorship evaluation process, the city has retained a qualified marketing research consultant, Bruce Skinner and Associates, to measure, analyze, and report the media impact and benefits associated with a proposed event sponsorship. The report is attached.

Funding Availability & Potential Options

There are currently event support funds available in the FY2016/17 Tourism Development Fund for event development. Pending TDC discussion, the following are options for consideration:

- 1) Recommend event development funding for all or part of the requested amount of \$64,400.
- 2) Direct staff to further evaluate the event's potential, event development partnership opportunities and the resulting return on investment.
- 3) Take no action or additional event evaluation.

Alternatively, if there are additional questions or information needed for further consideration, staff will proceed accordingly.



SCOTTSDALE PARADA DEL SOL PARADE AND TRAIL'S END FESTIVAL

Saturday, February 11th, 2017 – downtown Scottsdale
Parade – 10:00 a.m. to 12:00 p.m.
Festival – 12:00 p.m. to 5:00 p.m.

HISTORY & BACKGROUND:

Entering its 64th year, the Parada del Sol had its' beginning in 1951 as the "Sun Shine Festival." The City of Scottsdale sponsored the festival shortly after the City incorporated and the Festival consisted of a brief parade through downtown Scottsdale and ended with a family barbecue on Main Street. The first rodeo was added in 1956, and the name of the Festival was changed to "Parada del Sol" – translated from Spanish, Parada del Sol means . . . "Walk in the Sun."

The Scottsdale Jaycees operated the event until 2008, when the event became too large for the Jaycee organization to manage. With the demise of the Jaycees, in 2008 several members of the Jaycee organization created Parada del Sol, Inc., a 501(c)(4) non-profit organization.

The organization created two internal committees – one focused on the rodeo and one focused on the parade and festival. Towards the end of 2015 and leading into 2016, the parade committee created its own non-profit status now known as the "Parada del Sol Historic Parade." The committee is in the process of obtaining its own 501(c)(3) designation. We currently operate both the Parade and Trail's End Festival solely with a group of dedicated volunteers.

2016 OVERVIEW

The parade and festival in 2016 saw a number of enhancements – steps we felt, through discussions with the city, would help to elevate the entire event. Those enhancements consisted of the following:

- ❖ Adding “Scottsdale” to the official name of the event
- ❖ Naming Paul Messenger as the Grand Marshal
- ❖ Enhancing the merchant relations effort
- ❖ Updating the parade route to include the Museum of the West
- ❖ Creating a partnership with the Scottsdale Unified School District
- ❖ Obtaining support from the Scottsdale Tourism & Events department
- ❖ Creating an “Arizona Flag” pilot program in the Old Town area
- ❖ Updating the Parade Equine Safety plan

CONFIRMED MEDIA VALUE/BENEFITS – 2016 Review

Approximately \$25,000 in value for a 3 month promotional campaign which entailed -

Television Coverage

- CBS 5 and Channel 3 – Drive AM segment (Don C/horse)
- London TV – statewide – 2 morning segments and teasers with Don C
- Fox 10 TV – parade segment coverage from 9-11 a.m. with Don C short interview
- ABC 15 – filmed story of Hashknife Pony Express which will run February 1, 2017 – to lead into Parada del Sol Parade

Radio Coverage

- K-Love and Air 1 Coverage – 14,000 OPT IN text followers (value \$1,000)
- 40-30 second radio spots (value \$3,000)
- Parada was featured on two websites and on front page of K-Love.com
- Social Media – Instagram, Facebook and Twitter during radio flights
- KMLE – coverage purchased by Rodeo committee for Parade/Festival

Social Media (posts for Scottsdale Parada)

- Twitter
- Instagram
- Website
- Facebook

Print Coverage

- Scottsdale Independent – featured story online and print
- Mesa Tribune – calendar listings
- Arizona Highways Magazine – online coverage

- Sonoran Living – online coverage
- Visit Arizona – online coverage
- Arcadia Magazine – print story
- Phoenix Magazine – calendar item
- Arizona Republic – Paul Messinger column
- Arizona Republic – calendar listing online
- Lovin' Life after 50, Scottsdale Airpark Magazines – story by Kaddie
- Tucson Now website – Jan 18 – story in calendar

Advertorial

- Cover of real estate magazine

2016 Photography (all copyrights of these pictures released to Parada)

- Noelle Wilson, Katharine Kroeppler, David Steel, Kent Ennis
- Value - \$1,000 each photographer
- Each picture is worth about \$100/use on websites, ads, media placement opportunities

Volunteers

- SRP – Parada request for volunteers (sent out in SRP employee newsletter)
- Bryan Martyn – Volunteered all morning on parade route
- Sonnie Kirtley – volunteered time for set-up (offered COGS assistance for next year)

Celebrity Announcer and Celebrity Emcee

- KJZZ Journalist – Nicole Arroyo Rodriguez

City of Scottsdale

- Mary Murphy Bessler – 5,000 emails to downtown businesses
- Newsletter to residents

Convention and Visitors Bureau online

PROPOSAL AGREEMENT

The Scottsdale Parada del Sol Parade and Trail's End Festival has been a long standing, community-based event for years – in fact, this meets the definition of a “Heritage Event”. It is the intent of the Parada Parade committee to formalize our partnership with the City of Scottsdale through an agreement. The Parada Parade Board of Directors looks forward to the established working relationship with Entertainment Solutions, Inc. (ESI) who brings professional event production expertise to this event. This partnership between Parada and the City revolves around both short-term and long-term goals. The immediate **SHORT-TERM GOALS** include:

- *Updating the event branding*
- *Enhancing the event offerings*
- *Expanding the local, regional and statewide reach of the events*
- *Increasing marketing exposure for Scottsdale*
- *Maximizing organizational efficiencies*
- *Increasing the sponsorship opportunities*
- *Ensuring the financial stability of the event*

Our **LONG-TERM GOALS** include:

- *Creating a destination event*
- *Developing a premier festival in the Southwest United States*
- *Building it into a 2-3 day “Signature Event”*
- *Encompassing a larger portion of Downtown Scottsdale*
- *Generating substantial hotel bookings and consumer spending*
- *Attracting high level corporate business conventions*
- *Extending the Winter/Spring tourist season or moving to a shoulder season*

ADDITIONAL BENEFITS:

- Marshall Trimble – Grand Parade Marshal
- Incorporation of the Scottsdale Museum of the West in all marketing and promotion
- Enhanced partnerships with the City of Scottsdale; Scottsdale Unified School District; and Hashknife Pony Express
- Improved relationships with downtown merchants
- Preserve and promote the multi-cultural heritage of Scottsdale

These goals identify the level we wish to achieve and we need the City's support to get there. The all-volunteer committee works diligently to produce the event you have seen over the past two years. We are ready, with your assistance, to take this Heritage Event to the next level. We believe that the partnership between the City of Scottsdale and Parada del Sol Historic Parade, Inc. will elevate the production of this event to a level which will exceed the abilities of either party individually. With City resources and Parada experience and community relationships, the Historic Parade and Trail's End Festival can continue to thrive and grow.

PROPOSED 2017 ASK

Bed Tax Dollars	\$60,000
In-Kind	\$ 4,400
• Fencing	\$1,200
• Staffing/Storage	\$ 600
• Medical Standby	\$1,600
• Solid Waste/Sweepers	\$1,000
Waived Special Events Fees	\$ 6,200
TOTAL ASK	\$70,600

EVENT BUDGET

Media buy (TV, radio, print, website, and social media)	\$10,000
Cultural programming	\$15,000
Entertainment programming	\$ 5,000
Technical production	\$15,000
Equipment rentals	\$15,000
Fencing	\$ 1,200
Staffing/Storage	\$ 600
Medical Standby	\$ 1,600
Solid Waste/Sweepers	\$ 1,000
Special Event Fees	\$ 6,200
Event personnel/security	\$ 5,000
Signage/props/décor	\$ 5,000
<u>Insurance/legal/accounting</u>	<u>\$ 9,000</u>
Grand Total	\$89,600

DELIVERABLES/BENEFITS TO THE CITY - 2017

- Branding of the City of Scottsdale/Title Sponsorship of the Signature Event
- Increased budget will enable event growth in programming
- Increased budget will enable an increased media presence
 - \$10,000 - cash media buy
 - \$150,000 - PR and promotional value
- Management staff to plan and oversee the events
- Sponsorship development
- Volunteer development and coordination
 - Year-long team – 20 individuals at 5 hours/wk
 - 3-4 months out – 40 individuals at 5 hours/wk
 - 1-2 months out – 40 individuals at 10 hrs/wk
 - Day of event – 100+ volunteers at 12 hrs
 - Total – 10,800 volunteer hours
 - **Total Value - \$129,900 at \$12/hour**

PROJECTED MEDIA VALUE/BENEFITS – 2017

Scottsdale's Parada del Sol Parade and Trail's End Festival

Measuring Media and Marketing Value for Scottsdale Sponsorship

As a Partner with the Parada del Sol, the City of Scottsdale will be acknowledged and granted the exclusive event title of the event. Every part of this event will include the word Scottsdale and the brand of the event will be tied to the City as the Southwest's longest running and memorable historic western Parade and Festival. The Scottsdale brand therefore will benefit from every marketing tactic produced for this event. The marketing objectives of this sponsorship are based on the clear ability of the 63-year-old Parada del Sol to build awareness, loyalty of residents to the City and to reinforce positive perceptions of the livability and opportunities in Scottsdale.

Historic and cultural events are beloved by city residents, and this event is especially true of the Parada del Sol because there are so many local families tied to the city's history. These families are intertwined in the economic development and future of the city. The "Scottsdale Stars" were highlighted as part of the Parade to create that event ownership and to preserve this part of the cultural history of Scottsdale.

The City has always been a partner with the Parada because the event was created by original city leaders to bring tourists to the small sleepy western town. The value of this event can be measured by brand metrics such as resident recall, passion, and gratitude; metrics extremely valuable to any city. Simply relying on an equivalent media value for evaluating the sponsorship would miss the historic and cultural behavioral measurement that is much harder to achieve through advertising or to gain through similar newly created events.

Overview of 2017 Value

On-premise value: The Parada offers the city many types of value in signage on the day of the event. Every overhead banner, street banner, media coverage, social media, sign, handout, stage signage and announcement will include the Scottsdale name. Residents and business owners can use the opportunity to invite friends and colleagues to enjoy the day on the streets of Scottsdale and learn about the businesses at in this family-oriented free event. Visitors come from around the entire valley to participate in the events and downtown festivities and this opportunity can be enhanced.

The city will also benefit from the broadcasting at each stage along the parade route and the audio announcements by media during the event.

Marketing Deliverables for 2017 Sponsors

Off-premise value:

Television:

Television Media sponsorship is possible for nonprofits but cash is required to cover the costs of production and some placement. Other events receive up to 200 promotional mentions on television for this type of sponsorship includes 12 News on-air talent on-site at event. Four feature stories in advance of the event, logo placement on 12 News website with link, shares to huge audiences on NBC Facebook and Twitter followers.

Impressions: In the millions.

Value - \$25,000+++ for ten short TV PSAs prior to the event

Social media value is many thousands more.

Radio:

KLOVE Family Radio: \$1,000 (plus sponsorship to double exposures)

KNIX Radio: \$3,000 (plus sponsorship to increase exposures)

40- :15 radio spots, online streaming schedule, digital banner ads

KOOL Radio: \$1,000 :15 radio spots

Impressions: Thousands of listeners and increased dramatically with some funding.

Value:\$10,000+++

Newspaper:

Three small ads in the Arizona Republic Events page.

Possible media sponsorship for the Parade would increase exposure online and on azcentral.com with social media such as Facebook and twitter and more print advertising.

Total value - \$20,000+++ (through a potential sponsorship)

Social Media Advertising

Parada volunteers will be coordinating social media postings with sponsors to maximize the exposures for the events. Re-posting, sharing and retweeting the content of all the sponsors including the city, provides more benefits for sponsors. The Parada will focus on engagement with residents and visitors to create rich emotional attachments to the history and lore of the West in Scottsdale. Camaraderie comes with interacting with others who are fans of western history, horses, and the history and culture. Parada volunteers will create these opportunities so Scottsdale can build social media channels into this niche audience of residents and tourists.

Last year was the first year to develop many of these social media opportunities

Facebook: Coverage throughout January and February.

Periscope: Parts of the Parade were broadcast LIVE to the public.

Twitter: Developed twitter page and tweeted sponsor information, traffic, family photos and other information about activities at the Parade/Festival.

Instagram: Photos posted throughout the parade and activities.

Snapchat: 2017: To engage more millennials Snapchat will be offered with contests.

Website: Promote the Parade and Events for 2017.

Flyers: 1,000 flyers distributed designed, printed for the Parada with logos)

Value - \$5,000+++

Emails:

SRP: promoted Parada to employees through newsletters.

City: 5,000 emails distributed to downtown businesses.

City: Parada highlighted in newsletter to residents of Scottsdale

BUILDING FANS THROUGH HISTORY

Historic preservation protects tangible elements from the past for future generations and provides an anchor for families to discuss their history with children. Remembering that you dressed up for the Parada del Sol in 1960 and telling your children how you took off school are the type of memories families love to celebrate. Having a “sense of place” is garnered by experiential events such as the Parade and Rodeo. The protection of important past events and the people who are the representatives of historic eras, can produce valuable support for the city leadership. Historic areas such as “Old Town Scottsdale” are key elements in the history of Scottsdale and the cultural events that bring that area alive make it a rich and valuable treasure. Nothing embodies the “West’s Most Western Town” like the Parada del Sol.



2017 Parada del Sol and Trail's End Festival Review of Event & Tourism Impact

Situational Analysis

Now entering its 64th year, The Scottsdale Parada del Sol Parade and Trail's End Festival has been a popular, longstanding, community based event, held in conjunction with the Parade del Sol Rodeo. It has a strong western theme and also is a cultural event, thus satisfying the City's criteria of supporting one of its designated tourism drivers.

The organization that has taken over for the Scottsdale Jaycees to run the event is updating the festival's branding and most importantly, plans to increase market exposure for Scottsdale. Long term, they hope to create a destination event and develop a premier festival in the Southwest U.S. They also plan on generating substantial hotel bookings and attracting high level corporate business conventions in the future.

Most importantly, they plan on adding "Scottsdale" to the official name of the event. It also should be noted that they will be working with Entertainment Solutions, a solid Scottsdale company that will produce the festival.

The Parada del Sol will allow the City to be closely tied with an event that is the Southwest's longest running and memorable historic western parade and festival. Organizers point out that historic and cultural events are beloved by city residents. The "Scottsdale Stars" were highlighted as part of the Parade to create that event ownership and to preserve this part of the cultural history of Scottsdale.

The festival is requesting \$60,000 in cash and \$4,000 in in-kind sponsorship from the City of Scottsdale Event Development Funding Program. For that, it will promote the City as the event's destination and provide other benefits.

Pertinent Questions

1. Will the name "Scottsdale" precede "Parada del Sol" in the name of the event? How will Scottsdale be promoted and branded in pre-event marketing and publicity?
2. Will the event be providing enough benefits to the City to justify its investment?

3. Organizers say that they will procure and oversee a full-service public relations firm. To what extent will they be generating print, broadcast and social news for the City and the festival?
4. What is the projected economic impact and how many room nights will be generated?
5. How will organizers measure media and marketing value for the Scottsdale sponsorship?

General Assumptions

- The City of Scottsdale will be the title sponsor, which means that the event should be known as the “Scottsdale Parada del Sol Parade and Trail’s End Festival
- Organizers say that they will hire a full-service public relations firm that will ensure that the City and the event receive the maximum amount of media coverage of all types.
- They also say that The Arizona Republic and Channel 12 will be major media sponsors for the event.
- The festival will help preserve and further enhance Scottsdale’s western theme. They have presented that a re-worked parade route will include the Museum of the West.

Economic and Media Impact

It is questionable if this event will generate much in the way of economic impact, as there appears to be little effort being expended to generate hotel bookings for 2017. However, organizers have plans to “create a destination event” and generate substantial hotel bookings and consumer spending in the future. Also, visitors do come to the event from all over the Valley, which does increase expenditures and sales tax revenues for Scottsdale the day of the event.

On the promotion side, Parada del Sol organizers have developed a media plan that includes broadcast, print, digital, and social. The key for this event will be to generate many stories in traditional news media.

They plan the following:

- “Scottsdale” will be recognized as the exclusive event title sponsor
- Signage in the City for the event
- Television exposure valued \$10,000 - \$20,000
- Radio exposure 5,000 - 10,000
- Print 25,000 - 60,000
- Stage, handout, announcements 10,000 - 10,000

Summary

Per the above, the event plans to meet the value that the City seeks from an event based on its investment, generating a minimum of \$60,000 in television, radio, print and social media advertising exposure.

It would be beneficial for the City if the following took place, which could lead to even further recognition:

- “Scottsdale” must be the first word mentioned in the title of the event; thus, “The Scottsdale Parada del Sol and Trail’s End Festival. Failure to include the name at the beginning will mean that many media outlets will drop the name “Scottsdale,” referring to it as “Parada del Sol” only.
- Organizers must engage a public relations firm in order that they can fulfill their goal of \$150,000 in PR and promotional value to the City. They also must measure this and other types of exposure, so that the City can be comfortable with its return on investment.

Past experience indicates that organizers have been successful in generating television, radio, social and print coverage, so in addition to being a heritage event for the city, it also appears that they will provide Scottsdale with adequate exposure per event funding guidelines.

Respectfully submitted,

Bruce Skinner and Associates